# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:4818
ANSWERED ON:24.08.2001
PRE-EMPTIVE PURCHASE OF IMMOVABLE PROPERTY
ANANTRAO GUDHE

**Will the Minister of FINANCE be pleased to state:**

(a) whether the pre-emptive purchase of immovable property is made under Chapter XXC of the Income Tax Act, 1961 by Appropriate Authority;

(b) if so, the details of properties acquired under this Chapter in the country especially in Mumbai during the last three years;

(c) the details of total investment made in such acquisition of properties in India and especially in Mumbai;

(d) the number out of them disposed;

(e) the financial gain acquired by the income tax department in these transactions;

(f) whether any properties were returned to the original owners after the notification of acquisition; and

(g) if so, the details thereof and the reasons therefor?

## Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) Yes, Sir.

(b) During the last three financial years i.e. 1998-1999, 1999-2000 and 2000-01, a total of 24 properties were acquired under Chapter XXC. Out of these, only one property was acquired in Mumbai.

(c) A total investment of Rs.20.13 crores was made in acquiring these 24 properties. Out of this, an investment of Rs.2.68 crores was made in acquiring the property at Mumbai.

(d) Out of these 24 properties, so far 6 properties have been disposed of till 31st March, 2001.

(e) A financial gain of Rs.1.56 crores has been made in selling off these 6 properties.

(f) Yes, Sir.

(g) Out of these 24 properties, 3 properties were returned to the original owners after the purchase orders were passed. In 2 cases, the Chief Commissioner of Income Tax was of the opinion that the circumstances surrounding the properties were such that their saleability was questionable and they may not fetch a good price in the market and accordingly no payment was made in respect of these 2 properties. In the third case, the property was returned to the original owner on the directions of the High Court.